

# Exhibit C

***State of California ex rel. Ven-A-Care of the Florida Keys, Inc.***  
***v. Abbott Laboratories, Inc., et al.,*** Master Civil Action No. 01-12257-PBS,  
**Subcategory Case No. 06-11337**

Exhibit to the December 21, 2009 Declaration of Christopher C. Palermo in Support  
of Defendants Mylan Inc. and Mylan Pharmaceuticals Inc.'s. Opposition to Plaintiffs' Motion for Partial Summary  
Judgment

Gorospe, Pharm. D., J. Kevin - Vol. II  
Sacramento, CA

September 22, 2008

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UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

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IN RE PHARMACEUTICAL INDUSTRY)

AVERAGE WHOLESALE PRICE )

LITIGATION )

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THIS DOCUMENT RELATES TO ) MDL No. 1456

State of California, ex rel. ) Civil Action:

Ven-A-Care v. Abbott ) 01-12258-PBS

Laboratories, Inc., et al. )

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VOL. II

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MONDAY, SEPTEMBER 22, 2008

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VIDEOTAPED DEPOSITION OF

J. KEVIN GOROSPE, Pharm.D.

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Reported By: CAROL NYGARD DROBNY, CSR No. 4018

Registered Merit Reporter

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75 (Pages 687 to 690)

<p style="text-align: right;">687</p> <p>1 Q. Okay. So this -- this type of a</p> <p>2 statement about AWP you wouldn't have viewed as</p> <p>3 being particularly important?</p> <p>4 MR. PAUL: Objection to form.</p> <p>5 THE WITNESS: Not at the time, no.</p> <p>6 BY MR. ROBBEN:</p> <p>7 Q. Okay. Now, the beginning part of that</p> <p>8 paragraph, the part I didn't read, deals with WAC.</p> <p>9 Now, WAC has no bearing on the -- on the</p> <p>10 California Medicaid reimbursement; does it?</p> <p>11 <b>A. No, it does not.</b></p> <p>12 Q. And it plays no part in your work with</p> <p>13 Medicaid program?</p> <p>14 <b>A. No, it does not.</b></p> <p>15 Q. And it didn't at the time of this</p> <p>16 letter?</p> <p>17 <b>A. No, it did not.</b></p> <p>18 Q. Okay. So whatever Dey said about WAC</p> <p>19 wouldn't have affected you -- you or your job in</p> <p>20 Medi-Cal one way or the other; would it?</p> <p>21 <b>A. No, it would not.</b></p> <p>22 MR. ROBBEN: I think we have to change</p>	<p style="text-align: right;">689</p> <p>1 investigation, whether you did it or not?</p> <p>2 MR. PAUL: Objection to form.</p> <p>3 THE WITNESS: No.</p> <p>4 BY MR. ROBBEN:</p> <p>5 Q. At the previous day of your deposition</p> <p>6 you testified that you were familiar with something</p> <p>7 called "usual and customary charge."</p> <p>8 Do you remember that testimony?</p> <p>9 <b>A. Yes.</b></p> <p>10 Q. And do I have it right that usual and</p> <p>11 customary charge is an amount reported by a</p> <p>12 pharmacy provider to Medi-Cal?</p> <p>13 <b>A. Yes.</b></p> <p>14 Q. Okay. And that that number is a</p> <p>15 representation by the provider to Medi-Cal that</p> <p>16 that's their usual and customary charge to the</p> <p>17 public?</p> <p>18 Is that correct?</p> <p>19 <b>A. Yes.</b></p> <p>20 Q. Okay. When a provider submits a claim</p> <p>21 for a Medi-Cal -- for a drug submitted to a</p> <p>22 Medi-Cal beneficiary, do they submit along with</p>
<p style="text-align: right;">688</p> <p>1 the tape.</p> <p>2 VIDEOGRAPHER: This is the end of tape</p> <p>3 three, volume two, of the deposition of Kevin</p> <p>4 Gorospe.</p> <p>5 We are off the record at 4:36 p.m.</p> <p>6 (Discussion off the record)</p> <p>7 VIDEOGRAPHER: This is the beginning of</p> <p>8 tape four, volume two, of the deposition of Kevin</p> <p>9 Gorospe.</p> <p>10 We are on the record at 4:40 p.m.</p> <p>11 BY MR. ROBBEN:</p> <p>12 Q. A few minutes ago you said that you had</p> <p>13 received letters such as Exhibit 63 from other</p> <p>14 manufacturers and that you passed those on to Mr.</p> <p>15 Terra.</p> <p>16 Did it ever occur that when you passed on</p> <p>17 one of those letters to Mr. Terra he -- he asked</p> <p>18 you to subsequently investigate anything about the</p> <p>19 company that had sent it?</p> <p>20 <b>A. No, not that I can recall.</b></p> <p>21 Q. Do you remember any -- any type of</p> <p>22 letter like this exhibit touching off some type of</p>	<p style="text-align: right;">690</p> <p>1 that any type of certification as to the accuracy</p> <p>2 of the components in the claim?</p> <p>3 <b>A. Not that I know of.</b></p> <p>4 Q. Okay. Even if it doesn't come along</p> <p>5 with the actual claim itself are pharmaceutical</p> <p>6 providers like pharmacies expected to submit true</p> <p>7 and accurate claims?</p> <p>8 <b>A. Yes.</b></p> <p>9 Q. Okay. So if a pharmacy says it</p> <p>10 dispensed 30 antibiotic pills to Medicaid</p> <p>11 beneficiary X, you expect that that's true and that</p> <p>12 that actually happened; right?</p> <p>13 <b>A. Yes.</b></p> <p>14 Q. Okay. When they put the usual and</p> <p>15 customary charge on their claim, you expect that</p> <p>16 that usual and customary charge is a true number,</p> <p>17 that's their usual and customary charge; correct?</p> <p>18 <b>A. Yes.</b></p> <p>19 Q. Okay. Now, as I understand how</p> <p>20 reimbursement is worked under Medi-Cal, the program</p> <p>21 is paid the lesser of a certain of number of -- of</p> <p>22 factors; is that fair?</p>

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<p style="text-align: right;">691</p> <p>1     <b>A. Yes.</b></p> <p>2     Q. Okay. So for a time it was AWP minus 5,</p> <p>3     or FAC, or MAIC, and then the program would pay the</p> <p>4     lower of each of those -- of those components;</p> <p>5     correct?</p> <p>6     <b>A. After comparing it to the usual and</b></p> <p>7     <b>customary.</b></p> <p>8     Q. Okay. So if the usual and customary was</p> <p>9     10 and the others were less than 10, one of those</p> <p>10    other ones would be picked as the basis for the</p> <p>11    reimbursement; right?</p> <p>12    <b>A. That is correct.</b></p> <p>13    Q. Okay. So now, is it fair to say based</p> <p>14    on that that whenever some basis of payment was</p> <p>15    selected other than the usual and customary charge</p> <p>16    the Medi-Cal program obtained the prescription at a</p> <p>17    discount?</p> <p>18       MR. PAUL: Objection to form.</p> <p>19       THE WITNESS: Yes.</p> <p>20    BY MR. ROBBEN:</p> <p>21    Q. Okay. Does it -- it obtained the</p> <p>22    product for less than that pharmacy would have sold</p>	<p style="text-align: right;">693</p> <p>1     BY MR. PAUL:</p> <p>2     Q. For the record I'm Nicholas Paul with</p> <p>3     the California Department of Justice representing</p> <p>4     the Medi-Cal program here in California in this</p> <p>5     case and representing Mr. Gorospe in this</p> <p>6     deposition.</p> <p>7     Mr. Gorospe, counsel for Mylan and Dey,</p> <p>8     Mr. Robben, asked you some questions at the</p> <p>9     beginning of his time with you regarding a meeting</p> <p>10    -- a discussion that you had with Mylan, his</p> <p>11    client, in May 2007, I believe.</p> <p>12    Do you recall the testimony?</p> <p>13    <b>A. Yes.</b></p> <p>14    Q. And you provided responses to his</p> <p>15    questions?</p> <p>16    <b>A. Yes.</b></p> <p>17    Q. And if I recollect correctly, the</p> <p>18    discussion with the Mylan representative included</p> <p>19    discussion of AMPs; is that correct?</p> <p>20    <b>A. Yes.</b></p> <p>21    Q. And the Mylan representative described</p> <p>22    AMPs to you as a poor basis for reimbursement</p>
<p style="text-align: right;">692</p> <p>1     it to the general public; correct?</p> <p>2     <b>A. Yes.</b></p> <p>3     Q. Okay. So even if the basis of payment</p> <p>4     was AWP, AWP minus 5 percent, let's say, if that</p> <p>5     was less than usual and customary charge the</p> <p>6     Medi-Cal program obtained that drug for less than</p> <p>7     the pharmacy would have charged somebody else for</p> <p>8     that product; correct?</p> <p>9     MR. PAUL: Objection to form.</p> <p>10    THE WITNESS: Yes.</p> <p>11    MR. ROBBEN: I have nothing else.</p> <p>12    MR. PAUL: You guys done with him for the</p> <p>13    day?</p> <p>14    MR. BUEKER: (Nodding head)</p> <p>15    MR. PAUL: I had a couple of questions.</p> <p>16    MR. ROBBEN: Why don't you go ahead.</p> <p>17    MR. PAUL: Sure.</p> <p>18    Mr. Gorospe --</p> <p>19    MR. ROBBEN: You want to trade places?</p> <p>20    MR. BENNETT: Yeah, why don't we.</p> <p>21    MR. BUEKER: I'll move out.</p> <p>22    EXAMINATION</p>	<p style="text-align: right;">694</p> <p>1     because they were unreliable; is that correct?</p> <p>2     MR. ROBBEN: Objection.</p> <p>3     BY MR. PAUL:</p> <p>4     Q. Is that correct?</p> <p>5     <b>A. Yes.</b></p> <p>6     Q. Do you recall -- did the Mylan</p> <p>7     representative explain to you why he or she</p> <p>8     believed that Mylan's AMP were unreliable?</p> <p>9     <b>A. Yes, but I don't recall the content.</b></p> <p>10    Q. So you don't remember the reason for</p> <p>11    their unreliability?</p> <p>12    <b>A. Just -- I don't recall the specifics of</b></p> <p>13    <b>the conversation.</b></p> <p>14    Q. And I believe the representative also</p> <p>15    expressed concern about using AMPs for</p> <p>16    reimbursement because of the confidentiality of</p> <p>17    AMP; is that correct?</p> <p>18    <b>A. Yes.</b></p> <p>19    Q. Do you recall what the representative</p> <p>20    stated to you regarding the confidentiality of</p> <p>21    Mylan AMPs, any details?</p> <p>22    <b>A. No, I don't recall the details.</b></p>